

September 7, 2005

FDIC  
San Francisco Regional Office  
Director John F. Carter  
25 Jessie Street at Ecker Square  
Suite 2300  
San Francisco, CA 94105

2005 SEP 12 AM 10:33

RE: Comments regarding FDIC Application #20051977; Wal-Mart  
Application for Insurance and Industrial Bank Charter

Dear Director Carter,

On behalf of Independent Bank of Texas, I would like to take a few moments to respond to the recent request by Wal-Mart to apply for deposit insurance. We are a *De Novo* community bank serving the Irving, Texas market.

Our nation has a policy in place that separates banking and commerce and this attempt to enter the banking business by Wal-Mart is a prime example of the dangers of concentration of resources and impaired credit availability that flow from allowing a commercial company to own a bank. It is simply bad public policy and creates conflicts of interest which would represent a dangerous and unprecedented concentration of economic power in every community. Not only has Wal-Mart had a history of destabilizing communities, it could drive out community banks like it has driven out community grocery stores, pharmacies and hardware stores.

Our bank is a vital part of this expanding north Texas community and offers invaluable resources to small business and consumers alike. While the initial effect may be cheaper services, the long term effect will be reduced choices for consumers as the number of financial service providers shrinks. A Wal-Mart owned bank will not be able to look at other factors beyond a consumer's credit score to understand the individual circumstances, long-standing relationship or personal knowledge of the customer. That is something that we, as community bankers, do every day.

Moreover, there is the danger that Wal-Mart will take deposits out of the local communities where they do the most good. This would have a devastating effect on local

communities who rely on retail dollars spent in their own neighborhoods to support local and economic development.

Further, as an industrial bank, Wal-Mart would not be subject to consolidated regulatory supervision and many of the other restrictions applicable to owners of insured banks. Ultimately, this could make it impossible to detect financial troubles before they have an opportunity to affect the federal insurance safety net and would present a grave risk to the Bank Insurance Fund.

As a President and CEO of a new community bank and on behalf of the bank's shareholders, I ask that you deny the insurance and industrial bank charter application of Wal-Mart.

Should you have any questions regarding this request, please feel free to give me a call at (972) 506-2921.

Sincerely,



Brad L. Durham  
President/CEO

BLD/es

Cc: Senator Kay Bailey Hutchinson  
10440 North Central Expressway  
Suite 1160  
Dallas, TX 75231

Senator John Cornyn  
221 W. 6<sup>th</sup> Street  
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Representative Kenny Marchant  
9901 East Valley Ranch Parkway  
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